

or exchanges to the extent such amount does not exceed the amount under section 1211(b)

(i) the net loss from estates and trusts,
(iii) the excess (if any) of amounts described in subsection (i)(2)(C)(ii) over the amounts described in subsection (i)(2)(C)(i) (relating to nonbusiness rents and royalties), and

(iv) 50 percent of the net loss from the carrying on of trades or businesses computed separately with respect to—

(I) trades or businesses (other than farming)

conducted as sole proprietorships,

(II) trades or businesses of farming conducted

as sole proprietorships, and

(III) other trades or businesses.

For purposes of clause (iv), there shall not be taken into account items which are attributable to a trade or business which consists of the performance of services by the taxpayer as an employee."

(c) EFFECTIVE DATES.—

26 use 32 note.

(1) IN GENERAL.—Except as provided in paragraph

(2), the amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) ADVANCE PAYMENT INDIVIDUALS.—In the case of any individual who on or before June 26, 1996, has in effect an earned income eligibility certificate for the individual's taxable year beginning in 1996, the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 911. FRAUD UNDER MEANS-TESTED WELFARE AND PUBLIC ASSISTANCE PROGRAMS.

(3) IN GENERAL.—If an individual's benefits under a Federal, State, or local law relating to a means-tested welfare or a public assistance program are reduced because of an act of fraud by the individual under the law or program, the individual may not, for the duration of the reduction, receive an increased benefit under any other means-tested welfare or public assistance program for which Federal funds are appropriated as a result of a decrease in the income of the individual (determined under the applicable

program) attributable to such reduction.

(4) WELFARE OR PUBLIC ASSISTANCE PROGRAMS FOR WHICH FEDERAL FUNDS ARE APPROPRIATED.—For purposes of subsection

(a), the term "means-tested welfare or public assistance program

for which Federal funds are appropriated" includes the food stamp

program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et

seq.), any program of public or assisted housing under title I of

the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.),

and any State program funded under part A of title IV of the

Social Security Act (42 U.S.C. 601 et seq.).

SEC. 912. ABSTINENCE EDUCATION.

Title V of the Social Security Act (42 U.S.C. 701 et seq.)

is amended by adding at the end the following section:

"SEPARATE PROGRAM FOR ABSTINENCE EDUCATION

"SEC. 510. (a) For the purpose described in subsection (b), 42 USC 710.

the Secretary shall, for fiscal year 1998 and each subsequent fiscal